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USDOC FOR 532/OEA/M. NICKSON-D/JAY HATFIELD
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ICE HQ FOR STRATEGIC INVESTIGATIONS
STATE FOR EB/ESP

E.O. 12958: N/A

TAGS: [ETTC](#) [ETRD](#) [BEXP](#) [IN](#)

SUBJECT: EXTRANCHECK: POST-SHIPMENT VERIFICATION: NATIONAL
GEOPHYSICAL RESEARCH INSTITUTE, HYDERABAD, LICENSE NO. D351494

REF: (A) JAY HATFIELD EMAIL OF 01/10/2007

(B) NEW DELHI 08209 (C) USDOC 06362

11. Unauthorized disclosure of the information provided below is prohibited by Section 12(c) of the Export Administration Act.

12. BIS requested a PSV at National Geophysical Research Institute (NGRI), a GOI entity under the Ministry of Science & Technology, Website: www.ngri.org.in. NGRI was listed as the Ultimate Consignee for one Geotomographie borehole hydrophone controlled under ECCN 6A001. The license applicant was Geometrics Inc. (Geometrics), San Jose, CA. BIS New Delhi initially received the PSV request on August 8, 2006 and as per End-Use Visit Agreement (EUVA) contacted MEA on August 11, 2006 for facilitating the PSV meeting. On August 23, 2006, MEA advised BIS New Delhi that the full shipment had not yet been received by NGRI. According to MEA, the partial shipment that was received was not able to be inspected at that time, due to an agreement between the supplier's representative, Electrotek International Inc., Geo Division, Chennai (Electrotek); that agreement was in effect to avoid confusion relating to what products had been delivered and which were still awaiting delivery. NGRI further stated to MEA at that time that NGRI expected the installation and commissioning of the system to be done by Geotomographie, Germany, during the month of September 2006, after the full shipment arrived.

13. Acting Export Control Officer (ECO) David Nardella and BIS FSN Prem Narayan conducted a Post-shipment Verification (PSV) at NGRI, Hyderabad, on January 19, 2007.

14. ECO along with FSN Narayan met with M.S.N. Murthy (Murthy), Controller of Administration and T. Seshunarayana (Seshunarayana), Scientist 'F' and Deputy Director, NGRI. Prashant Agrawal (Agrawal), Under Secretary (AMS), Americas Division, GOI Ministry of External Affairs (MEA), facilitated the meeting. Agrawal was also present at the meeting.

15. Murthy explained that the full shipment was received by NGRI in late December. It was jointly installed, commissioned and tested in January 2007 by Geotomographie and Electrotek. In the first week of January 2007, MEA advised BIS New Delhi that NGRI had informed them that the equipment is operational and that the NGRI team is now ready for the verification. BIS New Delhi sought permission from the BIS headquarters and permission was granted per ref (A) to conduct the PSV at NGRI. Begin Note: Since MEA could not schedule a PSV meeting within the timeframe prescribed in EUVA, in fact, it past the deadline by 89 days, an unfavorable PSV report was submitted by the then ECO Rufe per reftel (B). End Note.

¶16. NGRI officials were aware of the BIS regulations. They have been party to previous BIS export licenses. Murthy stated that NGRI dealt with Eletrotek for this transaction. Prior to shipment, Electrotek provided the BIS export license conditions to NGRI. Murthy provided a copy of NGRI Purchase Order, Form BIS-711, Geometrics Packing List, NGRI Receipt Voucher and Electrotek email requesting NGRI for acknowledgement and acceptance of the export license conditions.

¶17. Murthy stated that as of the PSV date NGRI has not received any assignment for the equipment since it became operational only in the first week of January 2007. He confirmed the stated end-use. They have tested the equipment at two boreholes within the NGRI premises. The boreholes are located at a five meters distance of each other and the depth is 100 meters. He stated that the equipment would be used for research and development for coal exploration and mining. He further elaborated that the equipment will be used for R&D purpose to decipher the nature and extent of geological formations in boreholes with special emphasis in coal/lignite related structural features. He stated that the equipment and software provided with it are also suitable to decipher the nature and extent of the geological formation in Indian coalfields.

¶18. The hydrophone will be used at Jharia coalfields at Dhanbad, Singareni collieries at Kothagudem and also other mining related aspects. In addition, it will be used to decipher other mineral/structural details in Indian geological formations. The equipment will also be used for the disaster prevention and management in old mines by identifying thickness of the barriers and water-bodies. The funds for purchasing the equipment were sanctioned by the GOI's Council of Scientific and Industrial Research (CSIR), Ministry of Science and Technology under CSIR Network Project No. COR - 0019. The title of the project is "Development of Comprehensive Technology for Disaster Prevention and Management in Jharia Coal Field, Dhanbad".

¶19. After the meeting, ECO and FSN Narayan were given a tour of the two boreholes and the lockable shed where the equipment is stored. ECO and FSN Narayan saw the equipment and noted part and serial numbers of the unit and its accessories. The NGRI building is guarded 24 hours a day.

¶10. Established in 1961, NGRI is one of 38 laboratories of CSIR. NGRI is the premier geo-scientific institute engaged in carrying out various research and development activities including exploration of hydrocarbons, mineral exploration and engineering geophysics, exploration, assessment and management of groundwater resources, earthquake hazard assessment, lithosphere, earth's interior and paleo-environment, geo-environmental, geotechnical and geo-engineering studies and geophysical instrumentation. NGRI employs 700 personnel including 180 scientific staff.

¶11. Recommendation: Post recommends the National Geophysical Research Institute as a reliable recipient of the controlled U.S.-origin commodities. All indications are that the listed commodities are being used in accordance with U.S. Export Administration Regulations. (DNARDELLA/PNARAYAN) Mulford